United Nations A/56/740

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 74 (q)

Programme budget for the biennium 2002-2003

General and complete disarmament: illicit traffic in small arms and light weapons

Programme budget implications of draft resolution A/C.1/56/L.47

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 31st and 40th meetings, on 3 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/13) on the programme budget implications of draft resolution A/C.1/56/L.47.

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.31 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement on the programme budget implications submitted by the Secretary-General (A/C.5/56/13) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/56/644), decides to inform the General Assembly that, should it adopt draft resolution A/C.1/56/L.47, a provision of $499,900 would be required for the biennium 2002-2003, as follows: section 4, Disarmament, $456,100; and section 32, Staff assessment, $43,800, to be offset by an equivalent amount under income section 1, Income from staff assessment. Under the procedures established by the General Assembly in its resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987, those provisions would represent a charge against the contingency fund. It will be understood that additional requirements as may be required in respect of office accommodation under section 27D, Office of Central Support Services, would be considered by the General Assembly in the context of the first performance report for the biennium 2002-2003.

01-71296 (E) 221201

United Nations A/56/741

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 109

Programme budget for the biennium 2002-2003

Follow-up to the International Year of Older Persons: Second World Assembly on Ageing

Programme budget implications of draft resolution contained in A/C.3/56/L.6/Rev.1, as orally revised

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 31st and 40th meetings, on 3 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/15) on the programme budget implications of draft resolution A/C.3/56/L.6/Rev.1, as orally revised.

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.31 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement of programme budget implications submitted by the Secretary-General (A/C.5/56/15), decides to inform the General Assembly that, should it adopt draft resolution A/C.3/56/L.6/Rev.1, as orally revised, the additional appropriation as may be required under section 26, Public information, would be considered by the General Assembly in the context of the first budget performance report for the biennium 2002-2003.

01-71332 (E) 221201

United Nations A/56/742

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 112

Programme budget for the biennium 2002-2003

Advancement of women

Programme budget implications of draft resolution A/C.3/56/L.26

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 31st and 40th meetings, on 3 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/16) on the programme budget implications of draft resolution A/C.3/56/L.26. The Chairman of the Advisory Committee on Administrative and Budgetary Questions made an oral statement (see A/C.5/56/SR.31).

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.31 and 40).

Decision of the Fifth Committee

3. The Fifth Committee decided to inform the General Assembly that, should it adopt draft resolution A/C.3/56/L.26, expenditure not exceeding $252,900 would arise under section 9, Economic and social affairs, of the programme budget for the biennium 2002-2003, and additional appropriations would be considered by the Assembly in accordance with the procedures set out in resolutions 41/213 and 42/211 for the use and operations of the contingency fund.

01-71255 (E) 221201

United Nations A/56/743

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 26

Programme budget for the biennium 2002-2003

Follow-up to the outcome of the special session on children

Programme budget implications of draft resolution A/56/L.7

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 31st and 40th meetings, on 3 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/18) on the programme budget implications of draft resolution A/56/L.7.

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.31 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement of programme budget implications submitted by the Secretary-General (A/C.5/56/18), decides to inform the General Assembly that, should it adopt draft resolution A/56/L.7, an additional appropriation of $539,400 would be required in the programme budget for the biennium 2002-2003 as follows: section 1, Overall policy-making, $156,200; section 26, Public information, $147,000; and section 27D, Office of Central Support Services, $236,200. Under the procedures established by the General Assembly in its resolutions 41/213 and 42/211, these provisions would represent a charge against the contingency fund.

01-71320 (E) 221201

United Nations A/56/744

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 90

Programme budget for the biennium 2002-2003

Questions relating to information

Programme budget implications of draft resolution B contained in A/56/21/Add.1

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 33rd and 40th meetings, on 7 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/20 and Corr.1) on the programme budget implications of draft resolution B contained in document A/56/21/Add.1.

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.33 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement of programme budget implications submitted by the Secretary-General (A/C.5/56/20), decides to inform the General Assembly that, should it adopt draft resolution B contained in document A/56/21/Add.1, an additional appropriation of $2,680,000 would be required in the programme budget for the biennium 2002-2003 as follows: section 26, Public information, $2,372,000; and section 32, Staff assessment, $308,000, to be offset by an equivalent amount under income section 1, Income from staff assessment. Under the procedures established by the General Assembly in its resolutions 41/213 and 42/211, these provisions would represent a charge against the contingency fund.

4. The Fifth Committee requests the Secretary-General to explore opportunities for cooperation and cost-sharing of production cost with specialized agencies and funds and programmes in the United Nations system and to report thereon to the General Assembly at its fifty-seventh session.

01-71326 (E) 221201

United Nations A/56/745

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 118

Programme budget for the biennium 2002-2003

Right of peoples to self-determination

Use of mercenaries as a means of violating the human rights and impeding the exercise of the right of peoples to self-determination

Programme budget implications of draft resolution A/C.3/56/L.31

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 31st and 40th meetings, on 3 and 24 December 2001, respectively, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/21) on the programme budget implications of draft resolution A/C.3/56/L.31. The Chairman of the Advisory Committee on Administrative and Budgetary Questions made an oral statement (see A/C.5/56/SR.31).

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.31 and 40).

Decision of the Fifth Committee

3. The Fifth Committee decided to inform the General Assembly that, should it adopt draft resolution A/C.3/56/L.31, an additional provision of $64,100 under section 22, Human rights, of the programme budget for the biennium 2002-2003 would be required, and that additional appropriations would be considered by the Assembly in accordance with the procedures set out in resolutions 41/213 and 42/211 for the use and operation of the contingency fund.

01-71314 (E) 221201

United Nations A/56/746

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 119 (b)

Programme budget for the biennium 2002-2003

Human rights questions: human rights questions, including alternative approaches for improving the effective enjoyment of human rights and fundamental freedoms

Subregional Centre for Human Rights and Democracy in Central Africa

Programme budget implications of draft resolution A/C.3/56/L.69/Rev.1

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 33rd and 40th meetings, on 7 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General on the programme budget implications of draft resolution A/C.3/56/L.69/Rev.1 (A/C.5/56/22). The Chairman of the Advisory Committee on Administrative and Budgetary Questions made an oral statement (see A/C.5/56/SR.33).

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.33 and 40).

01-71248 (E) 221201

Decision of the Fifth Committee

3. The Fifth Committee decided to inform the General Assembly that, should it adopt draft resolution A/C.3/56/L.69/Rev.1, expenditures would arise not exceeding $1 million under section 22, Human rights, of the programme budget for the biennium 2002-2003, and that additional appropriations would be considered by the Assembly in accordance with the procedures set out in resolutions 41/213 and 42/211 for the use and operation of the contingency fund.

United Nations A/56/747

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Fifth Committee
Agenda items 123 and 12

Programme budget for the biennium 2002-2003

Report of the Economic and Social Council

Programme budget implications of draft resolution A/C.2/56/L.6

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 33rd and 40th meetings, on 7 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/23) on the programme budget implications of draft resolution A/C.2/56/L.6.

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.33 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement on the programme budget implications submitted by the Secretary-General (A/C.5/56/23), decides to recommend to the General Assembly that the adoption of draft resolution A/C.2/56/L.6 would not require any additional appropriation in the programme budget for the biennium 2002-2003, as arrangements for the President of the Economic and Social Council would be modelled on those applicable for the President of the Security Council.

01-71198 (E) 221201

United Nations A/56/718

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Fifth Committee
Agenda items 123 and 119 (c)

Programme budget for the biennium 2002-2003

Human rights questions: human rights situations and reports of special rapporteurs and representatives

Programme budget implications of draft resolution A/C.3/56/L.55

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 33rd and 40th meetings, on 7 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/24) on the programme budget implications of draft resolution A/C.3/56/L.55.

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.33 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement on the programme budget implications submitted by the Secretary-General (A/C.5/56/24), decides to inform the General Assembly that, should it adopt draft resolution A/C.3/56/L.55, an amount of $277,900 would be charged against the provision for special political missions, under section 3, Political affairs, of the programme budget for the biennium 2002-2003.

01-71204 (E) 221201

United Nations A/56/749

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Fifth Committee
Agenda items 123 and 44

Programme budget for the biennium 2002-2003

The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development

Programme budget implications of draft resolution A/56/L.42

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 38th and 40th meetings, on 18 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/26) on the programme budget implications of draft resolution A/56/L.42. The Committee also had before it the related report of the Advisory Committee on Administrative and Budgetary Questions (A/56/705).

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.38 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement on the programme budget implications submitted by the Secretary-General (A/C.5/56/26) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/56/705), decides to inform the General Assembly that, should it adopt draft resolution A/56/L.42, an amount of $14,755,100 would be charged against the provision for special political missions, under section 3, Political affairs, of the programme budget for the biennium 2002-2003.

01-71210 (E) 221201

United Nations A/56/750

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Fifth Committee
Agenda items 123 and 44

Programme budget for the biennium 2002-2003

The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development

Programme budget implications of draft resolution A/56/L.45

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 38th and 40th meetings, on 18 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/27) on the programme budget implications of draft resolution A/56/L.45. The Committee also had before it the related report of the Advisory Committee on Administrative and Budgetary Questions (A/56/709).

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.38 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement on the programme budget implications submitted by the Secretary-General (A/C.5/56/27) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/56/709), decides to inform the General Assembly that, should it adopt draft resolution A/56/L.45, an amount of $188,500 would be charged against the provision for special political missions, under section 3, Political affairs, of the programme budget for the biennium 2002-2003.

01-71216 (E) 221201

United Nations A/56/751

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 98 (a)

Programme budget for the biennium 2002-2003

Environment and sustainable development: implementation of Agenda 21 and the Programme for the Further Implementation of Agenda 21

Programme budget implications of draft resolution A/C.2/56/L.71

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At the 38th and 40th meetings on 18 and 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/56/28) on the programme budget implications of draft resolution A/C.2/56/L.71.

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.38 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the statement of programme budget implications submitted by the Secretary-General (A/C.5/56/28), decides to inform the General Assembly that, should it adopt draft resolution A/C.2/56/L.71, an additional appropriation of $352,500 would be required in the programme budget for the biennium 2002-2003 under section 26, Public information. Under the procedures established by the General Assembly in its resolutions 41/213 and 42/211, these provisions would represent a charge against the contingency fund.

01-71263 (E) 221201

United Nations A/56/752

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 123 and 106 (b)

Programme budget for the biennium 2002-2003

Third United Nations Conference on the Least Developed Countries: implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010

Programme budget implications of draft resolution A/C.2/56/L.78

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

1. At its 38th and 40th meetings, on 18 and 24 December 2001, respectively, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General on the programme budget implications of draft resolution A/C.2/56/L.78 (A/C.5/56/29). The Committee also had before it the related report of the Advisory Committee on Administrative and Budgetary Questions (A/56/716).

2. Statements and comments made in the course of the Committee's consideration of this question are reflected in the relevant summary records (A/C.5/56/SR.38 and 40).

Decision of the Fifth Committee

3. The Fifth Committee, having considered the reports of the Secretary-General (A/C 5/56/29) and the Advisory Committee on Administrative and Budgetary Questions (A/56/716), endorses the recommendations of the Advisory Committee and in this regard informs the General Assembly that, should it adopt draft resolution A/C.2/56/L.78, net appropriations up to $1,220,700 for the biennium 2002-2003 would be required, subject to the procedures for the use and operations of the contingency fund.

01-71242 (E) 221201

United Nations A/56/753

General Assembly

Distr.: General
22 December 2001
English
Original: Spanish

Fifty-sixth session
Agenda items 122, 123, 133 and 89

Programme budget for the biennium 2000-2001

Programme budget for the biennium 2002-2003

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Comprehensive review of the whole question of peacekeeping operations in all their aspects

Programme budget implications of the report of the Special Political and Decolonization Committee (Fourth Committee) (A/55/572/Add.1) on the comprehensive review of the whole question of peacekeeping operations in all their aspects

Report of the Fifth Committee

Rapporteur: Mr. Santiago **Wins** (Uruguay)

I. Introduction

1. At its 19th to 40th meetings, from 29 to 31 October and on 24 December 2001, the Fifth Committee, pursuant to rule 153 of the rules of procedure of the General Assembly, considered the statement by the Secretary-General (A/C.5/55/46 and Corr.1 and Add.1) on the programme budget implications of the report of the Special Political and Decolonization Committee (Fourth Committee) (A/55/572/Add.1) on the comprehensive review of the whole question of peacekeeping operations in all their aspects and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/56/478).

2. Statements and comments made in the course of the Committee's consideration of the question are reflected in the relevant summary records (A/C.5/55/SR.19-21 and 40).

01-71308 (E) 221201

Decision of the Fifth Committee

3. The Fifth Committee decided to inform the General Assembly that the adoption of the report of the Special Political and Decolonization Committee (Fourth Committee) (A/55/572/Add.1) would require:

(a) An additional appropriation of $1,575,700 under the following sections of the programme budget for the biennium 2002-2003: $376,400 under section 3, Political affairs; $888,800 under section 22, Human rights; and $127,900 under section 27, Management and central support services. An additional appropriation of $182,600 would also be required under section 32, Staff assessment, offset by a corresponding amount in the estimates of income under income section 1, Income from staff assessment;

(b) Approval of an additional 121 posts funded under the support account for peacekeeping operations and their related post and non-post requirements in the amount of $16,103,750 gross ($14,889,500 net) for the period from 1 July 2001 to 30 June 2002.

4. The Fifth Committee also draws the attention of the General Assembly to draft resolution A/C.5/56/L.32, entitled "Comprehensive review of the whole question of peacekeeping operations in all their aspects", recommended to the Assembly for adoption, in connection with the aforementioned programme budget implications of the report of the Special Political and Decolonization Committee (Fourth Committee) (A/55/572/Add.1).

United Nations A/56/754–S/2001/1255

General Assembly
Security Council

Distr.: General
24 December 2001

Original: English

General Assembly
Fifty-sixth session
Agenda items 20 (f) and 43

Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: emergency international assistance for peace, normalcy and reconstruction of war-stricken Afghanistan

The situation in Afghanistan and its implications for international peace and security

Security Council
Fifty-sixth year

Letter dated 21 December 2001 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to transmit herewith the text of a document entitled "Position of Kazakhstan with regard to resolving the situation in Afghanistan" (see annex).

I should be grateful if you would have the text of the present letter and its annex circulated as a document of the General Assembly, under agenda items 20 (f) and 43, and of the Security Council.

(*Signed*) Madina B. **Jarbussynova**

01-71446 (E) 241201 241201

Annex to the letter dated 21 December 2001 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

[Original: Russian]

The position of Kazakhstan with regard to resolving the situation in Afghanistan (follow-up to the document entitled "The conceptual approaches of Kazakhstan to resolving the situation in Afghanistan" (A/55/916-S/2001/419), of 27 April 2001)

The way the situation in the world has been evolving in the aftermath of the tragic events of 11 September 2001 in the United States of America and the subsequent counter-terrorist operation launched by the United States and the international coalition in Afghanistan shows that the international community has entered a new stage in its development. International terrorism, in the form in which it was witnessed by the world in New York City and Washington, is a totally new and unexpected threat that looms over humanity.

Kazakhstan fully supports the view that it is necessary to find new and effective measures to counter international terrorism and believes that the time has come to take tough and uncompromising measures to root out that evil.

This concerns Afghanistan directly. The effective elimination of terrorists and their accomplices in that country will make it possible to continue to successfully combat this threat all over the world, while at the same time creating the necessary conditions for a comprehensive and long-term settlement of the Afghan crisis and the rehabilitation of Afghanistan.

I. Kazakhstan notes with satisfaction that the main ideas and tenets of its document entitled "The conceptual approaches of Kazakhstan to resolving the situation in Afghanistan" have been favourably received around the world and that they correspond to the positions and proposals of other States and are being put into practice.

It is gratifying to note that we have not erred in our approaches, and we are pleased to see that the international community has now proceeded to implement practically all of our recommendations, from political settlement to comprehensive measures of economic and humanitarian rehabilitation. **The fact that Afghanistan has finally become the focus of international attention fosters the hope that this long-suffering country will take the path of normal and civilized development. Moreover, we in Kazakhstan consider that Afghanistan, which is a reflection in miniature of many global and regional problems, can become a testing ground for the elaboration and testing of an effective formula for real partnership and confidence-building, not based on geopolitical ambitions and narrow national approaches. We believe that, without this, collective action in Afghanistan could prove futile.**

II. Kazakhstan welcomes the results of the United Nations-sponsored talks among Afghan parties in Bonn which, in our view, constituted a breakthrough in the process of intra-Afghan political settlement. It is very important to emphasize here that **the international community has reached a consensus understanding of the need for a comprehensive solution of the Afghan problem**.

We in Kazakhstan are pleased to note that all interested States and parties underline **the key role of the United Nations in the post-conflict rehabilitation of Afghanistan and the return of the Afghan people to a peaceful and constructive life**.

Kazakhstan reaffirms its position that the future of Afghanistan and its political structure are in the hands of the Afghans themselves. At the same time, it is clear that Afghan society, for objective and subjective reasons, currently lacks the human and material resources needed to solve all of its burning problems single-handedly. In this context, it is important for the participants in the peace process in Afghanistan to find, under the auspices of the United Nations, an acceptable formula for coexistence which can become the basis for the establishment of permanent governing structures and civil institutions and the creation in the country of an atmosphere of trust and friendship.

We are deeply convinced that all **peacekeeping efforts in Afghanistan should be carried out under the auspices of the United Nations**, which will avert the renewed outbreak of civil war and make it possible to ensure public order and the uninterrupted delivery of humanitarian aid to the starving Afghan people. We welcome Security Council resolution 1386 (2001), of 20 December 2001, and believe that the presence in Afghanistan of the International Security Assistance Force is designed to ensure the preservation of peace in Afghanistan and to create the conditions for its economic and social rehabilitation in close cooperation with the Afghan Interim Authority and Afghan society.

At the same time, Kazakhstan calls upon all interested States to refrain from underhanded manoeuvres, abandon their geopolitical ambitions and make efforts to preserve and build upon the positive results recently achieved in the Afghan settlement process.

III. In view of the fact that Afghanistan is on the verge of a humanitarian disaster and that millions of Afghans are threatened with death by starvation, Kazakhstan believes that along with completing the counter-terrorist operation, the international community should, first and foremost, make every effort to address this aspect of the Afghan problem. Yet it is also evident **that the international community must provide humanitarian assistance to Afghanistan on a long-term basis, until a comprehensive plan for the country's economic recovery has been implemented**.

This plan should also take into account such factors as the fragmentation and weakening of Afghan society and the lack in Afghanistan of a sufficient number of qualified experts in different sectors and of the necessary economic, transport, productive and social infrastructure.

We welcome the efforts by the international community to convene various conferences on Afghanistan (in Bonn, Washington, Tokyo and elsewhere), which we are firmly convinced will not only help to reconcile the positions of the main social, political and religious forces in Afghan society as regards the future governing structures of the country, but also to identify the specific programmes and needs and the material and human resources required for the comprehensive social and economic rehabilitation of Afghanistan. Kazakhstan fully supports the actions taken in this regard by the United States, the Russian Federation, the countries of the

European Union, Japan, neighbouring States and other donor countries, and is ready to assist those efforts in every way.

At the same time, **a huge responsibility resides with the Afghan Interim Authority**, which must ensure the implementation of all aspects of the Bonn Agreement, preserve peace and create and develop conditions for the full-fledged rehabilitation of Afghanistan and its political and economic development. **Only if the Afghan Interim Authority and all Afghans assume this responsibility will the international community be able to assist Afghanistan effectively**.

IV. Kazakhstan proceeds from the assumption that after peace and order are established in Afghanistan, **the countries of the region must really feel secure**. Throughout the process of rehabilitation of the country, the international community should aim at **neutralizing the sources of new threats, such as drug and weapons trafficking, illegal migration and religious extremism**.

V. It is satisfying to note that Afghanistan is now the focus of attention of the international media, which should continue to play a central role in objectively covering events in and around Afghanistan. In this context we believe that, along with expert analysis and appraisals of the Afghan problem, it is necessary to highlight the actual development of the situation in Afghanistan and to report on the efforts made by the international community in Afghanistan and its long-term plans for the country's revival.

The media should focus on promoting an understanding on the part of world public opinion that the long-suffering people of Afghanistan have nothing to do with international terrorism, which has stirred up a hornets' nest in that country against the will of the majority of Afghans. It is also important to clearly show the real difficulties and needs involved in the long-term social and economic rehabilitation of Afghanistan.

VI. Kazakhstan welcomes the official inauguration of the Afghan Interim Authority headed by Hamid Karzai. Aware of the complexity of the challenges facing Mr. Karzai and his colleagues, Kazakhstan wishes them courage, determination and success in the achievement of their objectives.

Kazakhstan is confident that the joint efforts of all interested parties and States can successfully solve the Afghan problem and can also eradicate international terrorism, which is trying to impose its rules and demands on the civilized world.

For its part, Kazakhstan stands ready to make a practical contribution to the coalition's action in Afghanistan, especially in its economic and humanitarian phase, and, in view of its proximity to Afghanistan, it offers:

- To supply food (grain, rice and meat), fuel, construction materials and other goods as part of the humanitarian aid mobilized by the donor community;
- To set up in its territory, under the auspices of the United Nations and the international coalition, forward-based humanitarian warehouses;
- To send its civilian specialists — doctors, teachers, builders, engineers, and so on — to Afghanistan;
- Although it does not have much experience, Kazakhstan is willing to consider participation by its peacekeeping battalion (Kazbat) in the International Security Assistance Force in Afghanistan in the post-conflict period;

- In the future, we could explore the integration of Afghanistan into the United Nations Special Programme for the Economies of Central Asia (SPECA), with agriculture as a priority area.

While addressing these specific proposals to the coalition partners, Kazakhstan also reaffirms its willingness to mediate in the settlement of the crisis in Afghanistan, many of whose citizens perceive Kazakhstan as a neutral State of the region, in the Afghan context.

Ministry of Foreign Affairs of
the Republic of Kazakhstan

United Nations A/56/755–S/2001/1256

General Assembly
Security Council

Distr.: General
26 December 2001

Original: English

General Assembly
Fifty-sixth session
Agenda item 62
Question of Cyprus

Security Council
Fifty-sixth year

Letter dated 21 December 2001 from the Permanent Representative of Turkey to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith a letter dated 21 December 2001, addressed to you by His Excellency Mr. Aytuğ Plümer, Representative of the Turkish Republic of Northern Cyprus (see annex).

I should be grateful if the text of the present letter and its annex would be circulated as a document of the General Assembly under agenda item 62, and of the Security Council.

(*Signed*) Ümit **Pamir**
Ambassador
Permanent Representative

01-71584 (E) 271201

Annex to the letter dated 21 December 2001 from the Permanent Representative of Turkey to the United Nations addressed to the Secretary-General

I have the honour to refer to the statements made by representatives of the Greek Cypriot administration at the General Assembly plenary session on 8, 13, 14 and 16 November 2001. These statements contain false allegations against my country. I would therefore like to respond to these allegations and to set the record straight.

The Greek Cypriot representatives have, once again, tried to portray the situation in Cyprus as a problem of "invasion" and "occupation" by Turkey. A quick glance at the history of Cyprus will reveal that the Cyprus question did not come about as a result of the Turkish intervention in 1974, as alleged by the Greek Cypriot side, but was created in 1963 when the Greek Cypriot wing of the bi-national Republic of Cyprus usurped, by force of arms, the seat of government and ejected the Turkish Cypriots from all state organs. The aim of the Greek Cypriots was to eliminate the Turkish Cypriot people whom they perceived as an obstacle blocking the way towards ENOSIS (union of Cyprus with Greece). The armed onslaught in December 1963 was accompanied by a campaign of ethnic cleansing against the Turkish Cypriots. In the process, the Greek Cypriots killed or wounded hundreds of Turkish Cypriots, destroyed 103 Turkish Cypriot villages across the island and rendered a quarter of the Turkish Cypriot population refugees. The violence against the Turkish Cypriots continued for eleven years until 1974.

As it is well known, the Turkish intervention in 1974 was carried out, in the wake of a coup d'état staged by Greece and its collaborators in Cyprus, in order to prevent the annexation of Cyprus by Greece and to protect the Turkish Cypriots from imminent massacres. Turkey's intervention in Cyprus was not only in full conformity with its rights and obligations under the 1960 Treaty of Guarantee, but was very timely and essential in view of the gravity of the situation in Cyprus at the time.

Against the background of oppression and persecution, the claim by the Greek Cypriot representative that the two communities on the island have lived in "peace and harmony" in the past is nothing more than a denial of history and an inability to assume responsibility for the wrongdoings that created the Cyprus problem in the first place.

The Greek Cypriot representative has also referred to the issue of the unilateral application of the Greek Cypriot administration for accession to the European Union. I would like to emphasize that the ongoing unilateral bid for European Union membership by the Greek Cypriot administration contravenes the provisions of the Treaty of Guarantee and of Alliance, which regulate the "state of affairs" created by the 1960 Cyprus Agreements. The "state of affairs" created by the 1960 Agreements is one of equal co-founder partnership status of the two peoples. In addition to the internal balance between the two peoples in Cyprus, the treaties have established an external balance between the respective motherlands, Turkey and Greece, and, under the 1960 Treaty of Guarantee, Turkey, Greece and the United Kingdom of Great Britain and Northern Ireland have become guarantors of the 1960 "state of affairs" in Cyprus.

The Greek Cypriot side has never concealed that it seeks to become a member of the European Union for political reasons, rather than economic or otherwise, in order to dilute these treaties and render Turkey's security guarantee for the Turkish Cypriots ineffective. The Turkish Cypriot side has opposed the unilateral application by the Greek Cypriot side from the very beginning and has held the strong view that the European Union membership can only be taken up after a political settlement between the two parties. Also, the balance established between Turkey and Greece with regard to Cyprus by the 1960 treaties has to be maintained in every respect.

In this connection, I would like to refer to the "Further Opinion" dated 12 September 2001 prepared by Professor M. H. Mendelson, Q.C., a prominent international jurist, at the request of both the Government of the Turkish Republic of Northern Cyprus and the Government of Turkey, which has been circulated as a United Nations document (A/56/451-S/2001/953, enclosure). This legal opinion demonstrates that the unilateral accession of the Greek Cypriot administration, purporting to represent the "Republic of Cyprus", to the European Union would be in breach of the Treaty of Guarantee unless all parties to the Treaty (namely Turkey, Greece, and the United Kingdom) consented.

I would like to reiterate that the unilateral accession process initiated by the Greek Cypriot side and the "green light" given to the Greek Cypriots by the European Union in this regard have already seriously undermined the search for a negotiated settlement in Cyprus. The unilateral accession of the Greek Cypriot side to the European Union would destroy all prospects for a settlement and would bring about the permanent division of the island. Such an eventuality would pose a direct threat to peace and stability on the island and the region at large. It is therefore incumbent upon all concerned to stand firmly against such an eventuality. At this juncture, it is crucial that the European Union should send the right messages to the Greek Cypriot side.

In conclusion, I would like to impress upon all concerned the necessity to adopt a fresh approach to the Cyprus issue in order to facilitate the process of reconciliation between the two states in Cyprus. This will also induce the Greek Cypriot side to stop pretending that they represent the island as a whole and to refrain from exploiting international forums against the Turkish Republic of Northern Cyprus and Turkey. Only then will the necessary first steps have been taken in conformity with the spirit of the current political climate.

I should be grateful if the present letter were circulated as a document of the General Assembly, under agenda item 62, and of the Security Council.

(*Signed*) Aytuğ **Plümer**
Representative
Turkish Republic of Northern Cyprus

United Nations A/56/756-S/2001/1258

General Assembly
Security Council

Distr.: General
24 December 2001
English
Original: Spanish

General Assembly
Fifty-sixth session
Agenda item 166
Measures to eliminate international terrorism

Security Council
Fifty-sixth year

Letter dated 18 December 2001 from the Permanent Representative of Cuba to the United Nations addressed to the Secretary-General

I have the honour to refer to the letter dated 3 October 2001 (S/2001/940, annex) which Mr. Fidel Castro Ruíz, President of the Republic of Cuba, sent to you concerning the decision of the Government of Cuba to accede to the 12 existing international legal instruments on the prevention and suppression of international terrorism, in response to your appeal to the international community.

I have the honour to inform you that, on the date on which that letter was sent, the Government of the Republic of Cuba immediately began taking the steps required to ratify or accede to the nine international conventions and protocols on terrorism to which Cuba was not a State party.

On 29 November 2001 Cuba deposited at the headquarters of the International Civil Aviation Organization (ICAO) its instrument of accession to the Convention on the Marking of Plastic Explosives for the Purpose of Detection.

Cuba thereby completed the process of ratifying or acceding to the 12 existing international conventions and protocols on terrorism, namely:

(a) Convention on Offences and Certain Other Acts Committed on Board Aircraft;

(b) Convention for the Suppression of Unlawful Seizure of Aircraft;

(c) Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation;

(d) Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents;

(e) International Convention against the Taking of Hostages;

(f) Convention on the Physical Protection of Nuclear Materials;

01-71571 (E) 261201 261201

(g) Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, Supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation;

(h) Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation;

(i) Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf;

(j) Convention on the Marking of Plastic Explosives for the Purpose of Detection;

(k) International Convention for the Suppression of Terrorist Bombings;

(l) International Convention for the Suppression of the Financing of Terrorism.

I should be grateful if you would have this letter circulated as a document of the General Assembly, under agenda item 166, and of the Security Council.

(*Signed*) Bruno **Rodríguez Parrilla**
Ambassador
Permanent Representative

United Nations A/56/757

General Assembly

Distr.: General
26 December 2001

Original: English

Fifty-sixth session
Agenda items 27, 29, 43, 56, 72, 74, 76, 81, 82, 89, 95, 96, 97, 98, 105, 110, 111, 119 and 166

Implementation of the outcome of the World Summit for Social Development and of the twenty-fourth special session of the General Assembly

Follow-up to the outcome of the Millennium Summit

The situation in Afghanistan and its implications for international peace and security

Launching of global negotiations on international economic cooperation for development

Conclusion of effective international arrangements to assure non-nuclear-weapon States against the use or threat of use of nuclear weapons

General and complete disarmament

Review of the implementation of the recommendations and decisions adopted by the General Assembly at its tenth special session

Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction

Comprehensive Nuclear-Test-Ban Treaty

Comprehensive review of the whole question of peacekeeping operations in all their aspects

Macroeconomic policy questions

Sectoral policy questions

Sustainable development and international economic cooperation

Environment and sustainable development

Globalization and interdependence

01-71660 (E) 040102

Crime prevention and criminal justice

International drug control

Human rights questions

Measures to eliminate international terrorism

Letter dated 20 December 2001 from the Representatives of Belgium and India to the United Nations addressed to the Secretary-General

We have the honour to transmit the text of the Joint Communiqué of the Second India-European Union Summit (see annex I), the Joint India-European Union Vision Statement on the Development of the Information Society and Information and Communication Technology (see annex II) and the Joint Declaration against International Terrorism (see annex III) adopted during the India-European Union Summit, held in New Delhi on 23 November 2001. We would be grateful if the text of the present letter and its annexes were distributed as a document of the General Assembly under agenda items 27, 29, 43, 56, 72, 74, 76, 81, 82, 89, 95, 96, 97, 98, 105, 110, 111, 119 and 166.

(*Signed*) Jean **de Ruyt**
Ambassador Extraordinary and Plenipotentiary
Permanent Representative of Belgium

(*Signed*) Satyabrata **Pal**
Acting Permanent Representative of India

Annex I to the letter dated 20 December 2001 from the Representatives of Belgium and India to the United Nations addressed to the Secretary-General

Joint Communiqué

Second India-European Union Summit

23 November 2001

1. The second Summit between India and the European Union was held in New Delhi, India on 23 November 2001. India was represented by Prime Minister Atal Behari Vajpayee. The European Union was represented by the Prime Minister of Belgium, Guy Verhofstadt, in his capacity as President of the European Council and the President of the European Commission Romano Prodi.

2. Indian Ministers Jaswant Singh (External Affairs), Murali Manohar Joshi (Human Resource Development, Ocean Development and Science and Technology), Murasoli Maran (Commerce and Industry), as well as the Belgian Minister of State Ms. Anne-Mie Neyts-Uyttebroeck (Foreign Affairs) and the European Commissioner Pascal Lamy (Trade) participated in the Summit.

3. The leaders adopted the following statement:

Developing the full potential of our partnership

4. We, India and the European Union, global actors in the multipolar world, remain determined to further expand our relationship. We will continue to pursue this objective on the basis of the India-European Union Joint Declaration adopted at the Lisbon Summit in June 2000, which sets out the framework of our strategic partnership. We welcome the significant and concrete results achieved through the Lisbon Agenda for Action. We will continue on this path and have adopted further actions to be implemented before our next Summit, scheduled to be held in Copenhagen in 2002.

5. We welcome in particular the steadily intensifying political dialogue at all levels. We will deepen this dialogue with a view to achieving more substantive results and to focus in particular on strategic issues of common concern. Based on our shared fundamental values, we will step up efforts to promote democracy and to address human rights issues at the international and bilateral levels.

6. In order to broaden our institutional contacts, we encourage the Indian Parliament and the European Parliament to cooperate in promoting bilateral relations.

7. We commend the contribution of our industry to the India-European Union joint initiative for enhancing trade and investment focusing in the first round on the sectors of food processing, engineering, information technology and telecommunications. We call on the India-European Community Joint Commission to ensure efficient follow-up of the recommendations made by the India-European Union Business Summit. We encourage our industry to launch a second round of the

"joint initiative" to cover areas such as financial services, textiles, biotechnology, energy and power and any other mode of infrastructure.

8. We have come quite a distance in making civil society contacts a critical element of our partnership. We appreciate in particular the recommendations of the second successful meeting of the India-European Union Round Table of eminent personalities. We also consider the holding of the European Union-India Think Tank Seminar to be an important step towards better mutual understanding and bringing our peoples closer together. The further development of both initiatives will promote a dynamic civil society in India-European Union relations.

Addressing global challenges

9. We are committed to strengthening the United Nations capacity to play its role in development and maintenance of international peace and security. We recognize the growing importance of both India and the European Union in the United Nations, including our contribution to United Nations peacekeeping and international peace and security.

10. We support the international coalition in the fight against terrorism, wherever it occurs and regardless of its motives. We will ensure that the fight against terrorism is conducted in accordance with the rule of law. Based on the results of our experts' meeting on counter-terrorism, we decide to pursue our bilateral dialogue and to support early adoption, and implementation, of a Comprehensive Convention on International Terrorism. We call for early signing, and ratification of, existing United Nations conventions against terrorism. We welcome adoption of United Nations Security Council resolution 1373 (2001) on 28 September 2001 and support its full implementation by all Member States.

11. We call for full implementation of Security Council resolution 1368 (2001), and action taken in pursuance of the resolution. We hope that the current evolution of events will ensure that Afghanistan is no longer a base for terrorist organizations and training camps, and will pave the way for a stable and peaceful government. The Afghan people deserve a government which is independent, broad-based, multi-ethnic, truly representative and which responds to their needs and aspirations and respects the legitimate security interests of all countries concerned. We support the central role of the United Nations in a wide framework of international consultations to promote peace, stability and reconstruction in Afghanistan, and are willing to make our contribution in this regard. We are committed to humanitarian assistance for the people of Afghanistan and its long-term reconstruction needs after return of peace. We reaffirm warm and friendly ties with the people of Afghanistan.

12. We also agree to step up our initial efforts to combat international drug trafficking and drug abuse and its linkages with terrorism, to fight organized crime, arms trafficking, money-laundering and trafficking of persons, in particular of women and children.

13. We affirm that democracy and pluralism are the best safeguards of the human rights of individuals, and an essential basis for good governance. We are committed to promoting and protecting all human rights, including the right to development, and fundamental freedoms, bearing in mind their universal, indivisible and interdependent character as expressed at the World Conference on Human Rights in

Vienna. Economic growth and development contribute to fullest enjoyment of human rights.

14. We recognize that one of the greatest challenges of the new millennium will be the eradication of poverty. We reaffirm our commitment to continuing to working together closely on improving the standards of living and quality of life for our citizens.

15. We are resolved to be partners in promoting global peace and security. We reiterate our unequivocal commitment to the ultimate goal of complete elimination of nuclear weapons and to general and complete disarmament under strict and effective international control. We will continue to work together for the complete eradication of chemical and biological weapons and for strengthening the relevant international treaty norms against these weapons. We will begin to address the issue of ballistic missile proliferation in all its aspects. We agree to work towards commencement of negotiations on a fissile materials cut-off treaty banning future production of fissile material for weapons purposes. We will step up cooperation in the field of export controls of dangerous materials.

16. We shall also continue to strengthen our consultation on multilateral environmental issues in addressing the challenges of promoting sustainable development and protecting the environment. We shall strive for the early ratification of the Kyoto Protocol to address climate change and global environmental degradation in pursuance of the agreement at Bonn. We shall also maintain close interaction on the preparatory work relating to the United Nations conference on sustainable development due for 2002 and cooperate on common concerns. The European Union shall enhance cooperation with India to facilitate flows of investment and technologies and joint production of scientific knowledge in this regard.

17. We remain determined to contribute to peace, stability and development in our respective regions and beyond and consider that regional integration is a major contribution towards this goal.

Further deepening our dialogue on economic and development cooperation

18. The continuing high-level India-European Union economic dialogue has helped to build mutual confidence and understanding and allowed us to address a number of important bilateral trade and economic issues. We remain committed to intensifying this dialogue and to identifying further action that will enhance trade and investment between the European Union and India. We also recognize the need to foster even greater interaction with our respective business communities in achieving this goal.

19. We recommend the initiation of bilateral working groups that have allowed our experts to cover a range of issues and fully support them in continuing to address topics of mutual interest so as to facilitate and maximize our respective market access needs.

20. We welcome the steps taken to set up an expert group on trade defence and note that the first meeting will be held on 4 December 2001. We also welcome the

initiative by the European Community to hold a series of seminars on anti-dumping in India this December.

21. We shall strengthen our development cooperation in order to contribute to India's economic growth and sustainable development. Education, health and environment will remain the sectors of cooperation for the years ahead. The signing of the financing agreement supporting the Sarva Shiksha Abhiyan marks a continuation of the European Union's commitment to India's policy of universalizing elementary education. On environment, we shall also cooperate in the holding of joint workshops, involving key actors, to evolve common initiatives and launch an identification study for setting up the Institute of Environment Technology in India. The European Union reiterates its commitment, beyond the significant emergency relief already delivered to Gujarat, to contribute to the medium- and long-term rehabilitation and reconstruction of the devastated areas.

22. We shall strengthen our bilateral economic cooperation with the aim of enhancing trade and investment flows between India and the European Union. We shall further launch a new programme specifically aimed at fostering a mutually enabling economic environment. We are committed to resuming and extending the European Community-India Economic Cross-Cultural Programme. We also encourage our private sector to make full use of existing regional European Community programmes. We shall endeavour to promote infrastructure development in India.

23. We express satisfaction with the successful conclusion of the Fourth World Trade Organization Ministerial Conference, held at Doha, particularly its developmental agenda as it further strengthens the multilateral trading system. We will deepen our cooperation in the World Trade Organization to this end.

Expanding our cooperation into new domains

24. We are pleased to announce the signing of an Agreement on Cooperation in Science and Technology. This Agreement will boost the cooperation between our scientific centres of excellence and between our most productive scientists in joint research projects at the cutting edge of science and technology.

25. We share the goal of a knowledge-based economy and harnessing cutting-edge science and technology to tackle problems of development. The European Union recognizes that India has emerged as a centre of excellence in the field of information technology. Both sides agree to facilitate the movement of professionals and provide access for export of software. We have adopted the India-European Union Joint Vision Statement on the Development of the Information Society and Information and Communication Technology at New Delhi and agree to work towards its early implementation.

26. We call for early conclusion of the Agreement on Customs Cooperation. We take note of the exploratory talks on the feasibility of having an Agreement on Maritime Transport.

27. As our political and economic links mature and as our civil societies interact ever more closely, we invite our artists, writers, musicians and filmmakers, as well as the custodians of our rich cultural heritage, to respond to the ever increasing demand by the citizens of India and Europe to learn more about our respective

cultures and to participate in cultural events and exchanges. Aware that cultural exchange depends first and foremost on the creative spirits of artists themselves, we shall strive to promote venues and events that facilitate such cultural interaction as well as cooperation between relevant cultural organizations, and call upon the private business sector to assume sponsorships in this regard.

Agenda for action

We agree on the following agenda:

Developing the full potential of our partnership

- Intensify the political dialogue between India and the European Union in order to address the consequences of the terrorist attacks of 11 September.
- Request our experts to draw up a programme of concerted actions on enhancement and upgradation of cooperation in the fight against terrorism.
- Democracy and human rights will be discussed as an element in Senior Officials' and Ministerial Meetings.
- The India-European Community Joint Commission will examine the recommendations of the Business Summit generated by our business communities in the framework of the "India-European Union Joint Initiative for Enhancing Trade and Investment". We encourage our industry to undertake a second round of joint studies under the Joint Initiative in the sectors of financial services, textiles, biotechnology, energy and power.
- Set up a long-term Think Tank Network programme to be effective in 2003.

Addressing global challenges

- Work together for early adoption and implementation of the Comprehensive Convention on International Terrorism.
- Promote universality, full implementation and — where needed — the reinforcement of multilateral instruments (inter alia, Chemical Weapons Convention, Biological and Toxin Weapons Convention, Convention on Conventional Weapons), to which India and European Union member States are party, and start negotiations on a fissile material cut-off treaty, banning future production of fissile material for nuclear weapons or other nuclear explosive devices in early 2002 as well as to address the issue of ballistic missile proliferation.
- Hold a second experts meeting, on cooperation on export controls of dangerous materials, in early 2002.
- Consult and interact on the preparation of the United Nations Conference on Sustainable Development, due for 2002, with a view to developing an agreed agenda reflecting the political importance of the event.

Further deepening our dialogue on economic and development cooperation

- To continue the economic dialogue to promote closer bilateral relations in the economic and commercial fields.
- To hold the next meetings of the Subcommissions on Trade, Economic Cooperation and Development Cooperation in the first quarter of 2002 and of the Joint Commission in 2002, to review progress of bilateral economic and commercial relations.
- Launch a joint cooperation programme aimed at enhancing trade and investment flows.
- Hold first meeting of experts on trade defence.
- Encourage our private sector to strengthen their cooperation, in particular through full use of programmes such as Asia Invest, Asia Urbs, Asia IT&C and Asia Links.
- Enhance dialogue between India and the European Union for a better understanding of their respective positions on the developmental dimension of the World Trade Organization issues.

Expanding our cooperation into new domains

- Develop a common vision for our future scientific and technological cooperation, and, in early 2002, convene the Steering Committee to prepare a Work Plan under the Agreement for Scientific and Technological Cooperation.
- Support efforts by our information technology business in organizing a European Union-India information technology fair within the next 18 months.
- The next India-European Community Joint Commission will take up the energy sector.
- Holding of an India-European Union business meeting in April 2002 on the agro-food sector.
- Commence negotiations for a customs cooperation agreement in 2002.
- Actively pursue talks on the feasibility of a bilateral agreement on maritime transport.
- Provide a platform for creating a "European Union-India Cultural Forum" in 2002.

Annex II to the letter dated 20 December 2001 from the Representatives of Belgium and India to the United Nations addressed to the Secretary-General

Joint India-European Union Vision Statement on the Development of the Information Society and Information and Communication Technology

23 November 2001

1. Information and communication technologies (ICTs) are the driving forces behind the creation of the global information society in the twenty-first century. With their potential for making possible new applications and services, ICTs are emerging as a key tool for economic growth and development for all countries, including those engaged in the process of building their economies and consolidating the gains of development. We recognize that ICTs can play a significant role in the development of society, particularly by raising prosperity and economy productivity; therefore, we agree to jointly work towards further developing our respecting information society.

2. At the start of a new century, we reaffirm our commitment to further strengthening our substantive and growing economic partnership. Both are characterized by large geographical size, culture and linguistic diversity, and a vibrant civil society.

3. India, the world's largest democracy and home to one billion people, is emerging as a leader in the field of knowledge-based industry, especially in information technology.

4. The European Union is focusing on the information society as a substantive point of political action in order to ensure that its industry and citizens benefit fully from this new opportunity. Therefore, the Europe Action Plan was launched by the European Council in June 2000 with the objective to make the European Union by 2010 "the most competitive and dynamic knowledge-based economy in the world".

5. The European Union remains the largest market for Indian exporters with trade growing considerably in the past few years. However, given the size of our respective economies, the potential for further enhancing trade and investment is significant. In this context, ICT in particular, is a promising area for a mutually beneficial cooperation between the European Union and India.

6. India-European Union economic cooperation in the ICT sector could provide for cooperation across a broad spectrum of business and non-business areas: from horizontal actions such as policy formulation, government initiatives, standards and regulatory issues, sector-specific projects, business and industrial management initiatives, to science and technology programmes. The essential benefit of such cooperation lies with greater private sector and civil society involvement in projects/programmes based on mutual interest, that catalyse and foster business-to-business relationships and bring benefits to local communities and grass-roots development.

7. Both India and the European Union attach importance to the effective liberalization of the markets for electronic communications, notably building on the Agreement on Information Technology and the GATS/WTO Agreement on Basic

Telecommunications Services. This will generate increased competition and thereby develop markets, extend consumer choice, improve the quality and variety of services, decrease prices and enable information society services, notably e-commerce.

8. Our cooperation dialogue will take place in the framework of the recently established European Union-India Working Group on the Information Society. This dialogue will address but not be limited to the following subjects:

(a) Policy and regulatory frameworks, and their implementation aimed at creating an appropriate environment for the development of the information society, notably by improving the infrastructure and by facilitating access;

(b) Enhanced human capacity development, knowledge creation and sharing, including training of trainers in information technology related fields;

(c) Promotion of e-Commerce with focus on small and medium-sized enterprises;

(d) Intensified cooperation in the framework of international organizations and for dealing with information society issues;

(e) Promoting research, technological development and demonstration cooperation in the fields of information society technologies;

(f) Interconnection of the research communities and networks.

9. We will further consider joint cooperative actions involving government and administrations, the private sector, and civil society. Such actions could address areas such as policy formulation and exchanges of regulatory practice, network security, cybercrime and critical infrastructure protection, standardization and pilot projects in the social priority sectors, such as health, education and "government online".

Annex III to the letter dated 20 December 2001 from the Representatives of Belgium and India to the United Nations addressed to the Secretary-General

Declaration against international terrorism

23 November 2001

1. India and the European Union affirm that international terrorism is a threat to peace and security. It constitutes a challenge to all States and the entire humanity and a grave violation of human rights. Given their tolerant character, open, democratic and multicultural societies are specially vulnerable to terrorist attacks. The struggle against terrorism is not against any community or faith.

2. All States have a responsibility to refrain from providing moral, material or diplomatic support to acts of terrorism, and prevent the use of their territory for sponsoring terrorist acts against other States. India and the European Union support the adoption on the basis of international law of decisive measures against all States, individuals, and entities, which render support, harbour, finance, instigate or train terrorists or promote terrorism. There can be no religious, ethnic, ideological or any other justification of terrorism. We support the fight against international terrorism, wherever it occurs and regardless of its motives.

3. It is necessary that all States cooperate through all lawful means to prevent and suppress the financing of acts of terrorism in their territories.

4. We welcome United Nations Security Council resolution 1373 (2001), which provides an important framework for international action against terrorism. We are committed to fully implementing this resolution.

5. India and the European Union reaffirm the central role of the United Nations in the efforts of the international community in the struggle against terrorism. They agree that such a struggle must be conducted in observance of human rights and the rule of law, which it aims to safeguard and strengthen.

6. They call for an early adoption of the draft comprehensive convention on international terrorism and the draft international convention for the suppression of acts of nuclear terrorism. Adoption and implementation of these conventions as well as all other United Nations conventions would assist in strengthening the international legal basis for effectively combating the global menace of terrorism.

United Nations A/56/758-S/2001/1262

General Assembly
Security Council

Distr.: General
27 December 2001

Original: English

General Assembly
Fifty-sixth session
Agenda item 42
The situation in the Middle East

Security Council
Fifty-sixth year

Letter dated 26 December 2001 from the Permanent Representative of Israel to the United Nations addressed to the Secretary-General

On instructions from my Government, I have the honour to attach herewith the text of a letter addressed to you by the Deputy Prime Minister and Minister for Foreign Affairs of the State of Israel, Mr. Shimon Peres, dated 25 December 2001 (see annex).

I should be grateful if you would arrange to have the text of the present letter and its annex circulated as a document of the General Assembly under agenda item 42, and of the Security Council.

(*Signed*) Yehuda **Lancry**
Permanent Representative

01-71708 (E) 271201

Annex to the letter dated 26 December 2001 from the Permanent Representative of Israel to the United Nations addressed to the Secretary-General

Letter dated 25 December 2001 from the Deputy Prime Minister and Foreign Minister of the State of Israel, H.E. Mr. Shimon Peres, addressed to the Secretary-General and the President of the Security Council

We are deeply concerned by an unprecedented and exceptionally grave statement delivered by one of Iran's prominent leaders, the former President Hashemi Rafsanjani, Head of the Expediency Council. On 14 December, Rafsanjani declared before a crowd in Teheran that the Islamic world is arming itself with nuclear weapons in order to destroy Israel and undermine Western interests in the region.

In his speech, delivered on the occasion of the Iranian "Jerusalem Day", Rafsanjani emphasized the following themes:

- "The establishment of Israel is the most hideous occurrence in history. The Islamic world will not tolerate the continued existence of Israel in the region, and will vomit it out from its midst.
- "The Jihad operations against Israel must continue unrelentingly until victory is achieved. Therefore, all Palestinian Authority actions against the Jihad organizations are unacceptable. When the Islamic world acquires atomic weapons, the strategy of the West will hit a dead-end — since the use of a single atomic bomb has the power to destroy Israel completely, while it will only cause partial damage to the Islamic world.
- "The West's support for Israel is liable to bring about World War III, which will be fought between those believers who seek a martyr's death, on the one hand, and those who represent the epitome of arrogance on the other hand.
- "The United States is making a strategic blunder, if it views the campaign in Afghanistan as a model for a policy to be applied towards its other rivals. Such an error would cause a catastrophe for world stability and for all mankind."

This bone-chilling statement clearly contradicts the Iranian claim that its plans to acquire nuclear technologies are designed only for peaceful purposes. Rafsanjani's declaration speaks for itself, and leaves no room for any doubt as to Iran's inherent hatred of Israel and its declared goal to destroy it. Moreover, Iran is determined to obstruct the peace process, underscored by its call to continue the Jihad terrorist operations against Israel. This constitutes a threat of genocide.

I therefore appeal to you to demand that Iran abandon its plan to arm itself with unconventional weapons, and that immediate steps be taken to ensure that a plan of this kind is not put into effect. Otherwise, I fear that it might be too late to deal with the danger we could face.

(*Signed*) Shimon **Peres**
Deputy Prime Minster
Minster of Foreign Affairs

United Nations A/56/759

General Assembly

Distr.: General
27 December 2001

Original: English

Fifty-sixth session
Agenda item 130
Report of the Secretary-General on the activities of the Office of Internal Oversight Services

Audit of the Office of the United Nations High Commissioner for Refugees private sector fund-raising activities

Note by the Secretary-General

1. Pursuant to General Assembly resolutions 48/218 B of 29 July 1994 and 54/244 of 23 December 1999, the Secretary-General has the honour to transmit, for the attention of the General Assembly, the attached report, conveyed to him by the Under-Secretary-General for Internal Oversight Services, on the audit of the United Nations High Commissioner for Refugees private sector fund-raising activities.

2. The Secretary-General takes note of its findings and concurs with its conclusions.

01-72148 (E) 250102

Report of the Office of Internal Oversight Services on the audit of the Office of the United Nations High Commissioner for Refugees private sector fund-raising activities

Summary

Private sector fund-raising has become a major component of UNHCR's communication strategy and an important element of its fund-raising efforts. It is meant to supplement funds derived from the public domain, which have proven to be insufficient to meet the refugees' needs. The present report provides an insight into the management of private sector fund-raising by UNHCR. Given the growing involvement of the United Nations with the private sector and the increasing role of private sector fund-raising throughout the Organization, UNHCR's experience, both the achievements made and the issues still to be addressed, are therefore of a general interest.

Private sector fund-raising, though not a new activity in UNHCR, has recently been intensified. UNHCR private sector fund-raising strategy is to broaden UNHCR's donor base, develop structures and establish partnerships at a national level, particularly with the corporate sector. Private sector fund-raising activities have already become an important complementary source of income to UNHCR. In 1999, accumulated income from such activities ranked eighth on the list of UNHCR's largest donors, reaching a peak of almost $33 million, because of the Kosovo crisis. In 2000, some $15 million were raised from the private sector.

In 2000, the Office of Internal Oversight Services conducted an audit of private sector fund-raising activities within UNHCR to determine whether adequate policies and procedures had been established and activities were undertaken in an efficient and effective manner. The main findings were as follows:

- Policies and procedures still require to be more clearly defined in certain areas and developed in others, to improve economy and efficiency and to ensure activities are directed in a consistent and coherent manner;
- Self-sustainability is a key indicator for any fund-raising operation, but this, and the achievement of financial targets, were not explicitly established as an objective for most of the private sector fund-raising operations;
- Return on investment is the most important indicator to measure the success of any fund-raising operation. Therefore, the methodology for calculating the return on investment needs to be determined to increase the value of analytical comparison and allow more informed decision-making;
- Complete data on the overall cost of UNHCR's private sector fund-raising activities were not readily available: they were partly included in headquarters and field office budgets; partly in UNHCR-funded project budgets with National Associations; and partly covered directly from contributions raised;
- Contributions and associated fund-raising costs were understated; National Associations retained unearmarked contributions; and the treatment of membership fees was not clearly determined;

- National Associations have become UNHCR's preferred model and principal tool for private sector fund-raising. However, this concept is still to be proven effective, as the new direction of private sector fund-raising is only in its infancy;

UNHCR has taken positive steps to address the issues raised and recommendations made by the Office of Internal Oversight Services:

- Revised fund-raising guidelines to address the policy issues identified by the audit will be completed by the end of 2001;
- A global framework, acceptable to all country operations, with the goal of achieving self-sustainability will be developed. Financial targets have been established for 2001 and 2002 at $15 million and $18 million, respectively;
- A definition of return on investment will be developed and consistently applied;
- The concept of National Associations will be pursued but UNHCR acknowledged that proper monitoring and evaluation should be developed to ensure UNHCR funds are efficiently invested. UNHCR will concentrate on existing National Associations to ensure they reach planned fund-raising levels and move towards self-sustainability;
- Policies and procedures to be followed by National Associations will be defined and included in new Agreements to be signed by the end of 2001.

Contents

		Paragraphs	*Page*
I.	Introduction	1–4	5
II.	Policies	5–11	5
III.	Budgeting and accounting	12–16	7
IV.	National Associations as the preferred model	17	8
V.	Earmarking of contributions	18–20	8
VI.	Reporting, monitoring and audit	21–23	9
VII.	Conclusions	24–25	9

I. Introduction

1. Private sector fund-raising has become a major component of UNHCR's communication strategy and an important element of its fund-raising efforts. It is meant to supplement funds derived from the public domain, which have proven to be insufficient to meet the refugees' needs. The present report provides an insight into the management of private sector fund-raising by UNHCR. Given the growing involvement of the United Nations with the private sector and the increasing role of private sector fund-raising throughout the Organization, UNHCR's experience, both the achievements made and the issues still to be addressed, are therefore of a general interest.

2. Private sector fund-raising activities, though not new to UNHCR, have recently been intensified. UNHCR private sector fund-raising strategy is to broaden UNHCR's donor base, develop structures and establish partnerships at a national level, particularly with the corporate sector, to support its fund-raising efforts. This has a potential to increase UNHCR's income by diversifying its fund-raising.

3. Private sector fund-raising activities already have become an important complementary source of income to UNHCR. In 1999, accumulated income from the private sector reached almost $33 million, because of the Kosovo crisis. Income from private sector fund-raising thus ranked eighth on the list of UNHCR's largest donors. There is no steady trend in donations, as they peak in emergency situations such as the former Yugoslavia in 1993 ($37 million), in the Great Lakes in 1994 ($28 million) and Kosovo in 1999 ($33 million), and fall in times of relative "calm". In 2000, income from the private sector totalled some $15 million. Overall, private sector fund-raising activities appear to be successful with a return on investment of 5:1 for the nine operations examined for the period 1995 to 2000. However, more detailed analysis shows that the success varies considerably per operation. Private sector fund-raising, at the country office level, is either carried out directly by UNHCR country offices (e.g., in Italy and, until recently, in Japan) or through National Associations, which are organizations created by UNHCR for fund-raising activities, normally in the form of a charity under national law. There are at present seven National Associations in Argentina, Australia, France, Japan, Spain, United Kingdom and the United States of America.

4. In 2000, the Office of Internal Oversight Services conducted an audit of UNHCR private sector fund-raising activities. The main objectives of the audit were to determine whether adequate policies and procedures had been established and activities were undertaken in an efficient and effective manner. The audit was conducted in accordance with general and specific standards for the professional practice of internal auditing in United Nations organizations. The audit focused on the period 1995 to 2000.

II. Policies

5. Despite the increasing importance of private sector fund-raising, UNHCR has yet to define a number of key policy issues. Existing guidance on *planning and organizing private sector fund-raising* provides valuable assistance in setting up private sector fund-raising activities. However, many policies and procedures still need to be clarified to improve economy and efficiency and to ensure a coherent approach. This was particularly pertinent to financial management, where policies needed to be established concerning sustainability, financial targets, the calculation of return on investment and other accounting and reporting matters. The Office of Internal Oversight Services believed that UNHCR should give priority to addressing policy matters and to issuing more comprehensive guidelines. *UNHCR intends to address these policy gaps in revised private sector fund-raising guidelines, which are envisaged to be completed by the end of 2001.*

6. Self-sustainability is a key indicator of any fund-raising operation. According to UNHCR's present guidelines, it should be known within three years of inception of a private sector fund-raising operation whether activities can be successful. However, this indicator was not explicitly established as an objective nor were financial targets and the time frame for achieving them. So far, only UNHCR's National Association in Spain has become self-sustainable, and this was by the second year of its creation. Their success may be partly attributable to the role their membership fees play in securing funding and to the nature of the contributions raised; more than one third comes from the public sector. The Office of Internal Oversight Services appreciated, nonetheless, that from the six National Associations existing at the time of the review, three had been established only recently and

were therefore not yet in a position to achieve self-sustainability.

7. The reasons for not achieving self-sustainability and for the success or failure of National Associations have not yet been ascertained by UNHCR. In January 2000, UNHCR conducted a general appraisal of private sector fund-raising projects, but sustainability was not evaluated nor was it concluded whether or not the activities were viable. Such an exercise would have allowed more informed project strategy decisions on fund-raising operations. The Office of Internal Oversight Services pointed out that without clearly defined financial targets and indicators, and periodic measurement of success, sustainability is difficult to achieve. *UNHCR indicated that the criteria and time period to achieve self-sustainability would vary from one country to the other. However, UNHCR plans to develop a global framework acceptable to all, with the key mechanism to attain this goal. It is intended to define relevant criteria and a framework with benchmarks within the Agreements with National Associations. UNHCR has established global financial targets for 2001 and 2002 for $15 million and $18 million, respectively. For 2002, financial targets have also been established at the country level.*

8. The return on investment is one of the most important indicators to measure the success of any fund-raising operation. It shows the ratio of income earned against fund-raising expenditure. A return on investment below 1 means that the funds raised do not even cover the cost of fund-raising. For the nine operations examined, the overall return on investment was 5.0 for the period from 1995 to 2000. Nonetheless, this calculation did not include staffing costs of the Private Sector Fund-Raising Unit at Headquarters, estimated at $0.9 million. A year-by-year analysis shows no steady trend, but shows a peak in 1999 in connection with the Kosovo emergency, followed by a significant drop in 2000, which was due to a sharp decrease in contributions raised in a post-emergency year and a marked increase in fund-raising expenditure as UNHCR invested into new or expanded fund-raising activities.

Return on investment by year

Year	*Contributions remitted to UNHCR (in $ millions)*	*UNHCR fund-raising expenditure (in $ millions)*	*Return on investment*
1995	4.2	0.5	7.9
1996	5.2	1.2	4.2
1997	4.6	1.3	3.5
1998	4.9	0.9	5.2
1999	19.1	1.4	13.3
2000	8.8	3.9	2.3
1995-2000	46.8	9.3	5.0

9. On a country-by-country basis, however, the return on investment varied considerably from 8.5 to less than 1, as shown in the following table:

Return on investment 1995-2000 (by country for the period)

Country	*Contributions remitted to UNHCR (in $ millions)*	*Per cent of total contributions*	*UNHCR fund-raising expenditure (in $ millions)*	*Per cent of total expenditure*	*Return on investment*
Italy	28.5	61.0	3.5	37.6	8.2
Japan	6.2	13.3	0.7	7.5	8.5
Spain	7.5	16.1	1.4	15.1	5.4
United Kingdom	1.6	3.4	1.0	10.8	1.5
United States of America	2.3	4.9	1.6	17.2	1.5
Others (Argentina, Australia, France, Greece)	0.6	1.3	1.1	11.8	0.5
Overall	46.8	100.0	9.3	100.0	5.0

10. Only the UNHCR offices in Italy and Japan and the National Association in Spain had cost-effective results in all years, i.e., throughout the period 1995-2000, the funds raised by them were always higher than the funds invested into their fund-raising activities. Their overall return on investment for the period was 8.2 for UNHCR Italy, 8.5 for UNHCR Japan and 5.4 for España con ACNUR. In fact, from the total UNHCR private sector contributions of $46.8 million,

raised from 1995 to 2000, UNHCR Italy alone accounted for $28.5 million (61 per cent), UNHCR Japan for $6.2 million (13 per cent) and España con ACNUR for $7.5 million (16 per cent). The National Associations in the United Kingdom and the United States of America reached an overall return on investment of 1.5, while the National Associations in the remaining four countries, which started their activities only in 1999, did not yet break even. *UNHCR explained that originally, National Associations were not requested to launch fund-raising appeals. It was only from 2000 onwards that private sector fund-raising became the major goal for National Associations. According to UNHCR, this explains mainly why the return on investment has not yet reached a higher level in some countries.*

11. Further, the methodology applied and the source data used varied significantly. Also, certain funds retained by National Associations were not included, distorting the calculation of the return on investment and making the results look more favourable. Moreover, the return on investment calculation was not used on a systematic basis as an indicator for measuring the cost-effectiveness of fund-raising activities, nor as a tool for analytical comparison to allow more informed decision-making. The Office of Internal Oversight Services recommended that a methodology for the calculation be determined and applied consistently, including all costs incurred by UNHCR in the field and at headquarters. *UNHCR indicated that they would develop a relevant definition of return on investment.*

III. Budgeting and accounting

12. Complete data on the overall cost of UNHCR's private sector fund-raising activities were not readily available. For National Associations, some costs were recorded under project budgets funded by UNHCR, other costs were covered by funds retained from contributions raised. Moreover, in certain instances, National Associations were located in UNHCR offices and provided with infrastructure and office facilities, the cost of which was charged to UNHCR's administrative budget. The Office of Internal Oversight Services recommended that fund-raising budgets should include a provision to cover the cost of facilities and services provided by UNHCR offices to the National Associations. *UNHCR agreed to implement this recommendation.*

13. No general trend on fund-raising costs financed by UNHCR was evident on a country basis. However, there was a marked increase in most operations in 2000, when overall costs reached $3.9 million, three times as much as in 1999. Given the principle of "seed money" (the initial investment) and the goal of self-sustainability, the Office of Internal Oversight Services would have expected that UNHCR's funding of such activities would progressively decrease. *According to UNHCR, this increase reflects the investment into a marked expansion of private sector fund-raising activities, including the start-up costs of the new National Associations.*

14. Also, the National Associations current practice of retaining up to 10 per cent of each contribution, prior to transferring funds to UNHCR resulted in those contributions and related fund-raising costs being understated in UNHCR's financial statements and other reports. This deduction makes a true comparison of private sector fund-raising activities and the results achieved between countries difficult. Also, the direct use of contributions to cover the National Association's costs weakens UNHCR's control and oversight. Funds retained, although naturally being UNHCR's, were not treated as such and were not included in the project agreement. Consequently, UNHCR had virtually no control over the use of these funds or complete data on the amounts retained for operational costs of National Associations. The Office of Internal Oversight Services recommended that this policy be reconsidered, with preference given to accounting for gross contributions, combined with a corresponding increase in UNHCR's financial support to National Associations. This would significantly enhance the transparency of the level of funds raised and the related cost as well as strengthen UNHCR's oversight with partners. *UNHCR agrees with the necessity to report all incoming resources as gross.*

15. Furthermore, certain National Associations treated unearmarked funds received as unrestricted funds and therefore retained them. The Office of Internal Oversight Services holds the view that all funds raised by National Associations on behalf of UNHCR and using UNHCR's name and logo must be considered as income earmarked for UNHCR, intended to support UNHCR's general and special programmes, unless the donor expressed differently. Given the financial implications of the present interpretation of

unearmarked funds and the lack of control UNHCR has over these funds, OIOS recommended that UNHCR clarify this issue in the Agreements with National Associations. *UNHCR agreed that National Associations should only retain funds earmarked specifically for their activities.*

16. The present lack of transparency of the actual costs associated with fund-raising activities through National Associations calls for a change in the funding arrangements. The Office of Internal Oversight Services recommended that UNHCR, instead of funding certain activities under a project arrangement, should consider co-financing the budget of National Associations. UNHCR should provide the National Associations with a grant, contributing to the overall funding of their budget. In return, the fund-raising budgets of National Associations should include all activities planned and all sources of funding. This should be submitted to UNHCR's scrutiny and approval, irrespective of the source of funding. *UNHCR agreed that they should be able to review all the activities of National Associations, as the National Associations have been mainly established to raise funds for UNHCR projects. UNHCR will develop the relevant mechanism to implement this.*

IV. National Associations as the preferred model

17. The UNHCR *Guide on Planning and Organizing Private Sector Fund-Raising* describes National Associations as an attractive model for pursuing fund-raising activities, and UNHCR has decided that a harmonized network of National Associations would serve as the principal tool. However, except for Spain, the overall picture of the effectiveness of National Associations is less than positive. On the contrary, the most successful fund raisers were the UNHCR country offices in Italy and Japan, directly implementing private sector fund-raising activities. Therefore, the paragon of the National Association has not yet been confirmed by the results achieved so far. In the view of the Office of Internal Oversight Services, it therefore would be premature to pursue solely this concept as the preferred fund-raising model until the existing Associations have proven that they can meet their financial targets over a reasonable period of time and become self-sustainable. *UNHCR indicated that developing National Associations was often the preferred model since National Associations as charities under national law could provide donors with tax-exempt certificates, whereas UNHCR, as an international organization was not always able to do so. However, UNHCR acknowledged that proper monitoring and evaluation reviews should be developed to ensure UNHCR funds are efficiently invested. Also, prior to creating any new National Associations, UNHCR will concentrate on existing National Associations to ensure they reach planned fund-raising levels and move towards self-sustainability.* OIOS is aware that the tax-deductible status is an important incentive for potential donors. -UNHCR should therefore intensify its efforts to obtain this status in additional countries.

V. Earmarking of contributions

18. Based on data provided by UNHCR, 87 per cent of the contributions raised by the 9 private sector fund-raising operations reviewed during the period 1995 to 1999 were for Special Programmes, and 4 per cent for General Programmes, whereas only 9 per cent of the total contributions were unearmarked. Since some of the National Associations claimed the right to retain all unearmarked funds to finance their operational expenses, the unearmarked contributions remitted to UNHCR were insignificant.

19. This is an important factor in assessing the return on investment, since the funds invested by UNHCR in private sector fund-raising are generally unearmarked funds, whereas the funds received in return are almost exclusively earmarked. These funds are of lesser value than those invested given their restricted use, limiting flexibility. Thus, to create overall positive results for UNHCR, the return on investment would have to be significantly higher than the arithmetical break-even point, so that the amount of earmarked funds raised compensates for the unearmarked funds invested by UNHCR.

20. Furthermore, given the restricted use of earmarked funds, UNHCR should work with National Associations and other private sector fund-raising operations to avoid overly tight earmarking of contributions and identify priority areas, which will benefit from earmarked funds. The Office of Internal Oversight Services recommended that beyond the Global Appeal an annual private sector fund-raising strategy, including country and programme priorities,

be established. *UNHCR concurred that priorities for potential private sector funding need to be defined and communicated to the field offices and National Associations to focus on specific projects to improve the efficiency and effectiveness of private sector fund-raising activities. For fall 2001, the priority theme is refugee children to match with the special session of the General Assembly on children. For the first six months of 2002, the theme will be refugee women, culminating on World Refugee Day, 20 June 2002. Subsequent themes will be defined in due course in full consultation with National Associations and UNHCR offices in the field.*

VI. Reporting, monitoring and audit

21. Another issue of concern was reporting of income from private sector fund-raising activities in UNHCR's financial statements and the UNHCR Global Report, where National Associations were shown as donors. This highlighted the need to clarify their role, and the nature of the contributions raised, the core issue being whether National Associations are donors contributing their own funds to UNHCR or fund raisers acting on behalf of UNHCR. Generally a donation is defined as a contribution made voluntarily. Since National Associations, in most cases, are legally bound to transfer the contributions raised to UNHCR, the funds cannot be seen as their donation. In the view of the Office of Internal Oversight Services, identifying National Associations as donors lacks transparency, and also results in inconsistent reporting. Major private sector donors, channelling funds through National Associations, were not being acknowledged by UNHCR, whereas others who have donated funds directly through the respective UNHCR country office were shown as donors. Further, treating National Associations as donors may give them a role that cannot be justified and could weaken UNHCR's position towards them. The Office of Internal Oversight Services recommended that this core issue be clarified. *UNHCR has already taken corrective action, with the aim of reporting all private sector income per country first with the relevant breakdown thereafter.*

22. At the field level, the reporting/approving lines of private sector fund-raising activities need to be clarified so that the authority of UNHCR country representatives is not weakened when partners communicate directly with UNHCR headquarters. Therefore, the monitoring role of the UNHCR field office should be defined and accountability at that level established. The National Associations reviewed by the Office of Internal Oversight Services acted quite independently and with no real understanding of UNHCR's oversight role. On more than one occasion, OIOS had to explain that UNHCR has the right to audit not only the use of funds received from UNHCR but also the income raised on behalf of UNHCR. *UNHCR indicated that this issue would be clarified in the forthcoming guidelines.*

23. Finally, audit certificates submitted by UNHCR partners should clearly identify the receipt and use of UNHCR funds in accordance with UNHCR requirements. In the specific case of fund-raising projects, the Office of Internal Oversight Services believes that the audit report should not only cover expenditure reported but also the income raised on behalf of UNHCR, as well as compliance with relevant policies and procedures in the Agreements signed between UNHCR and National Associations. The Office of Internal Oversight Services recommended that UNHCR define audit requirements for the submission of audit certificates by National Associations. *UNHCR concurred with this recommendation, which will be incorporated in future Agreements with National Associations.*

VII. Conclusions

24. UNHCR has taken the initiative to expand their fund-raising strategy to the private sector. Although overall this direction has been successful so far, it has not yet been the case on a country-by-country basis. To determine the reasons for success and failure and, hence, monitor factors affecting this, key indicators and benchmarks such as self-sustainability and the methodology for return on investment calculations need to be established. They will enable UNHCR to measure the achievement of objectives, both in individual and overall terms, in the context of the annual strategy, and thus trigger corrective action, where required.

25. UNHCR has already taken positive steps to implement recommendations made by the Office of Internal Oversight Services. Revised guidelines to address key policy issues will be completed by the end of 2001 for both UNHCR and National Associations.

The concept of National Associations will be pursued, but prior to creating additional Associations, UNHCR will ensure that the existing ones reach their planned fund-raising levels and move towards self-sustainability.

(*Signed*) Dileep **Nair**
Under-Secretary-General for
Internal Oversight Services